Public Self-Demolition in Practise: The Conclusions of the Crisis Communication of the Children Cancer Foundation from the Perspective of Public Relations

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Abstract
By 2014 the revenue of the Hungarian Children Cancer Foundation Non-Profit Organisation deriving from the 1% offerings of citizens’ personal income taxes dwindled to less than a third of the rates in former years, which was due to a series of scandals relating to one of Hungary’s largest nonprofit companies that lasted several months. This article focuses on the press conference organised by the president of the Children Cancer Foundation, which was supposed to clear him and the institution of the accusations received, and besides, to spread further information aiming to tackle problems regarding the general operation of the institution. There are two hypotheses that serve as the basis of my analysis; on the one hand, I argue that via the media even an insignificant event may turn into an issue of nationwide attention if it lacks an appropriate interpretation and has undefined contents. On the other hand, it is illustrated that failing to identify the different natures of the accusations received by the brand and its employees may have a negative impact on the judgement of the crisis situation and the reputation of the institution by the public. Framing is essential to my analysis, which may be observed in the changes of the public opinion regarding people’s responsibility and attitude to certain issues. Although the press featured such opinions relating to the Hungarian Children Cancer Foundation that belong to the domain of politics, the present analysis is not intended to adjudicate the activities of the organisation at all. On the contrary, the actions of the institution are investigated only through crisis communicative aspects.

Keywords
crisis communication, corporate communication, public relations, branding, crisis management

1 Introduction
By the spring of 2014 the revenue of the Hungarian Children Cancer Foundation Non-Profit Organisation deriving from the 1% offerings of citizens’ personal income taxes dwindled to less than a third of the rates in former years, which was due to a series of scandals relating to one of Hungary’s largest nonprofit companies that lasted several months. (Hasszán, 2014)

At first sight, the underlying cause resulting in a significant financial deficit and loss of reputation for the company may seem to be a disproportionate infringement of norms – István Balogh, the president of the foundation, used the ambulance car of the institution to travel for private purposes on numerous occasions in the autumn of last year, of which the Hungarian news site Index published a relatively long article supplemented with a video recording as well. (Csonka, 2013) The investigative article not only sparked further criticism of the foundation that had already had its reputation blemished earlier, but it also called for the need of a public audit regarding the institution. The foundation was unprepared and it performed such crisis communication that was flawed in many crucial ways.

The present article focuses on the press conference organised by the president of the Children Cancer Foundation, which was supposed to clear him and the institution of the accusations received, and besides, to spread news, messages, and further information aiming to tackle problems regarding the general operation of the institution. Notwithstanding, the president failed to communicate quickly, authentically, and in a harmonised way. Moreover, he had a consistent concept of considering the accusations towards him and the institution as if they had been of the same nature. Intermingling the two separate kinds of criticism and the president’s rhetoric of personal remarks have greatly undermined the efficiency of crisis management and they also contributed to further intensifying the crisis that hit the foundation. Despite the fact that political opinions were also featured by the press regarding the Hungarian Children Cancer Foundation, it must be pinpointed that the present investigation is not meant to judge the activities of the organisation, but it is aimed to scrutinise the institution through communicative aspects.
This case study is meant to shed light on a typical setting as well, namely, what consequences in the field of Public Relations it may lead to in case an individual starts panicking and behaves tensely due to fear of potential loss of reputation. There are two hypotheses that serve as the basis of my analysis; on the one hand, I argue that via the media even an insignificant event may turn into an issue of nationwide attention if it lacks an appropriate interpretation and has undefined contents. (Sturges, 1994)

This preventive tool is called communication frame throughout my case study, which refers to the best persuasion technique tackling the hypothesis. (Scheufele, 1999) On the other hand, it is illustrated that failing to identify the different natures of the accusations received by the brand and its employees may have a negative impact on the judgement of the crisis situation and the reputation of the institution by the public.

Framing is essential to my analysis, which may be observed in the changes of the public opinion regarding people’s responsibility and attitude to certain issues. (Iyengar and Simon, 2007) Following an overview of the practical field and research of crisis communication it is presented how the Hungarian Children Cancer Foundation got involved in the crisis situation, and besides, I account for the managerial mistakes deepening the trouble in details and give a brief summary on those fundamentals of Public Relations that must be taken into consideration by any organisations struggling with operational difficulties. After that I show that opting for wrong negotiating positions in crisis situations may be the most important factor in failing to succeed, demonstrate the path leading to the crisis, present the general institutional principles of media management, and account for the contextual determinants aggravating the crisis. The second half of the article contains a media analysis of the situation, which is followed by a review of the main points concerning the highly biased speech given at the press conference, and then the missing, yet fundamental factors hindering the dialogue of István Balogh and the journalists during the actual crisis communication are identified. Finally, the consequences of the communicative and organisational faults are summarised, and several solutions are suggested as to prevent potential problems in similar situations in the future.

2 Crisis-Communcation-Science

Despite the fact that there are various definitions in technical literature, crisis may generally be regarded as an event, or series of events, which happens unexpectedly, has large negative impact, and proves to be forceful enough to bring about a turning point in the organisational life of an institution and/or group of social, consumer, and economic spheres. In other words, it interrupts ordinary business transactions, creates high levels of uncertainty, anticipates repercussions, threatens the reputation, existence, and/or the primary goals of an organisation. (Coombs, 2010a)

Diverging from normal transaction entails that the organisation must activate a specialised way of operation capable of tackling such situations, which leads to the emergence of particular demands, roles, and responsibilities within the organisation. The hierarchical structure of the organisation is temporarily modified and specific management processes accompanied with suitable communication channels are introduced, which ensure that the decisions aimed to turn the situation for the better are made instantly and resolutely. The above-mentioned decisions culminate in the interaction between the organisation and the parties involved in the situation. The ultimate aim of crisis communication is to minimise the discrepancies between the conceptions and realities regarding the crisis situation, or at least to reduce the inconsistencies between facts and what the organisation represents. The process includes conveying news, messages, and pieces of information to the media, public, and target audience, which are all meant to assist the recovery from operational troubles. As this process is intended to safeguard the image and reputation of the organisation as well, it is worth considering this situation as an opportunity that should be handled proactively. (Barrera, 2014)

Originally, the main reason for the professionalisation and development of crisis communication as an independent discipline was the inevitability of emergency situations and catastrophes. As one of the newest fields of communication studies, crisis communication came into existence in the interwar period when companies started paying more and more attention to their reputation due to the reshaping technological and socio-political environment. The earliest professional advancement in the field of crisis communication concerned scheduled flights in the USA; a regulation was introduced that the disaster recovery unit arriving first to the site of catastrophe must cover the logo of the airline in order to save face. This concept was publicised in the 1980s when a series of catastrophes shocked the public, e.g., among others the disaster of the Chernobyl nuclear power plant, the explosion of the Challenger space shuttle, the water contamination by the Protex chemical plant in Nantes, the tampering of baby food by Heinz, and the Gare de Lyon rail accident near Paris.

Concurrently, the more conscious use of automated production processes in plants led to the design and operation of closed systems, therefore crises and catastrophes were initially tackled by organisations as internal failures. (Fink, 1986) The divergence between autonomous crisis management and the so-called “industrial crisis management” began at around this time as well, of which the latter focuses the investigation of catastrophes and emergency situations more on human errors. Closed systems have gradually been changed to open ones in the last 25 years as crisis procedures could progressively be examined as ones embedded in their respective environments.

Afterwards, in the 2000s crisis communication was institutionalised in the governmental, corporate, and public sectors as well. Accordingly, in case an institution exceeded a certain level in size or social significance, particular human and financial
resources were allocated to the planning of strategic communication and the crisis management itself. (Seeger, 2007) The growing importance and more complex methods of crisis communication may partially be attributed to the advancement of communications technology, and therefore crisis situations are more frequently featured in social media and the globalising mass media due to their high newsworthiness. (Schultz et al., 2011) Accordingly, today’s organisations are advised to set up such Public Relations plans that also contain scripts for crisis situations, i.e. the so-called Red Book. This document is intended not only to be used to prevent crises, but it can also be applied to reduce and tackle the potential threats concerning a brand or target audience. (Barton, 1994)

The theory of crisis communication, even though the previous examples show that it is rooted in practice, has retained its autonomy and professional inquiries in the last decades through empirical researches and theory improvements. In addition, theorists from other fields of sciences have greatly contributed to its methodology, perspectives and models, whereas hundreds of case studies concerning crisis communication have enriched its base of practical knowledge. (Coombs, 2010a; Coombs, 2010b) Moreover, leading journals of communication studies, such as Journalism and Mass Communication Quarterly, Communication Studies, Journal of Communication, Quarterly Journal of Speech etc., have also showed great interest in publishing about topics in the field of crisis communication besides specific technical publications of Public Relations. (Benoi, 1997)

According to an extensive research conducted in the field of Public Relations (An and Cheng, 2010), there are various theories of crisis communication that are recognised by the academic community and are applied by professionals. The most popular theories are among the “intermediate” ones, of which the following draw the most considerable attention; the most frequently referenced theory (20%) is the SCCT (Situational Crisis Communication Theory) posited by Timothy Coombs, and the second most commonly cited one (18,6%) is the ICT (Issue and Crisis Management) postulated by Howell-Miller that draws on thematisation. The IRT (Image Restoration Theory) and Apology Theory by Ulmer-Sellnow are also widely quoted, 10% and 8,6% respectively.

The so-called Apology Theory holds that the public will stand for the guiltiness of an organisation in a crisis situation; therefore the reaction of the institution should be considered a plea for defending its reputation and image. (Fearn-Banks, 2011) Unlike the Apology Theory that is based on rhetoric, the Image Restoration Theory (IRT) rests more on the fundamentals of organisational communication. (Coombs, 2010a) This theory primarily makes use of those opportunities of communication, i.e. denial, evasion of responsibility, and weakening of offensive attitude, which are at hand for an organisation or individual suffering damage of reputation in a crisis situation. (Coombs, 2010a) The Issue and Crisis Management (ICT) mainly applies those practices of thematisation which are also present in politics, namely, the organisation utilises the various communication channels during the interpretation and thematisation of the crisis situation to present the best possible image of itself. (Howell, 2014) Unlike the aforementioned theories, the Situational Crisis Communication Theory (SCCT) is peculiar because it does not focus on the brand, but it rather targets the receivers directly and attempts to provide an answer to the question of who could take the responsibility from the perspective of the recipients. The SCCT takes advantage of the initial perceptions and reactions of the involved parties, and besides, it examines how their attitudes and opinions change due to the answers received during the crisis situation. (Coombs, 2010a)

Having overviewed the above-mentioned theories it may be seen that there are two distinct categories of crisis communication; the sender-oriented and the receiver-oriented models. Messages of the former ones are devised according to certain rhetorical considerations, therefore it is their success and overall efficiency that can be examined and not the change they bring about in receivers. Conversely, messages of receiver-oriented models are originated among the perceptions by receivers regarding the crisis, and accordingly, they are more apt to provide a more detailed overview of the changes in the judgements and perceptions of recipients due to their frame of reference.

Due to the complexity of the external communication of the Hungarian Children Cancer Foundation and the fact that my hypothesis is related to both the sender and receivers, it would be relevant to examine the crisis situation presented in the present case study not only from the perspective of sender-oriented models, but also from the aspect of receiver-oriented ones. As the previously featured Situational Crisis Communication Theory (SCCT), Issue and Crisis Management (ICT), Image Restoration Theory (IRT), and Apology Theory (AT) all have provided essential aspects for the research presented in this article, I have chosen to apply such an approach to the topic that not only makes use of the aforementioned theories, but also attempts to integrate their relevant elements into a coherent unit. As it was mentioned in the introduction, the present article is focused on one of the persuasion techniques within human interactions, i.e. the Framing Theory, which has been used more and more widely by researchers of the field of crisis communication in their writings (An and Gower, 2008) as framing enables the consideration of the act of thematisation, the concept of image, the characteristics of the crisis situation and the rhetoric of their interpretation as a whole. Although most authors apply the Framing Theory to denote the thematisation and selective mechanism of the media (Pan, 2010) when presenting a crisis (Pan and Kosicki, 1993), I understand it more as the so-called strategic frame (Schultz et al., 2012) throughout my case study, which emphasises the importance of crisis management, situation-handling, and PR-communication aimed to mitigate the damage suffered by the organisation in crisis.
In my view the Framing Theory suggests how the presentation of the crisis influences public attitudes towards the organisation and changes the behaviours, actions and perceptions of the target audience. The concept is related to the agenda-setting tradition but it also expands the research by focusing on the essence of issues at hand rather than on a particular topic. (Goffmann, 1974) Before touching upon the characteristics of a properly chosen crisis communication frame though, let me provide a detailed presentation in the following chapters on how one of the most successful non-profit organisations of Hungary has become a foundation of ill repute struggling to survive.

3 The path leading to the crisis

István Balogh’s 3 year old son was diagnosed with cancer in the spring of 1996. The worried father realised that the infrastructure of the Hungarian health care system was in poor condition; therefore he decided to give up his profession and devote all his life to helping children with cancer and their families in 1997. The deed of foundation of the Hungarian Children Cancer Foundation was signed in the same year and so it began its charitable activities. As time passed, the institution became renowned both nationwide and internationally. It is highlighted on the website of the foundation that throughout their operation they have never turned down any applications by patients, and they have not only been saving up for the costs of building a new specialised hospital, but they have also provided several tens of million HUF for people asking for help. Furthermore, they also claim to have aided sick children and their families by further donations, supplying vitamins, food supplements, and medication. (gyermekrak.hu, 2015)

Nevertheless, apart from its charitable and non-profit activities, the foundation has been involved in various lawsuits with the press investigating its questionable practices and finances. (Csonka, 2013) The management of the institution was first inspected by the tax authority in 2001. It was revealed that the foundation had expended only a fraction of its revenue on providing healthcare, and moreover, they probably canvassed by breaking the law in order to receive the 1% offerings of citizens’ personal income taxes. (Index, 2001) In the last couple of years the Hungarian press has been filled with suspicions of abuses regarding the foundation and occasions on which it failed to provide help. (Hasszán, 2014) The external communication of the institution centred around making countless statements concerning real estate scandals (Spirk, 2014), lawsuits of correction, dozens of investigative news articles, accusations by The Equal Treatment Authority (nepszava.hu, 2011), and charges by the Jobbik Movement for a Better Hungary (sokekaljobb.hu, 2103), which have all contributed to undermining the reputation of the foundation.

Ultimately, it was a seemingly petty mistake that triggered the nationwide scandal – the news website Index reported in its article of 17 December 2013 that István Balogh had used the ambulance car of the foundation for private purposes on several occasions, even breaking the Highway Code of Hungary. (Csonka, 2013) Taking into consideration the communicative precedents permeated with conflicts and controversies, it did not come out of the blue that the news article focused media attention on the institution again, and consequently, more and more investigative news reports were published demanding the transparency of the foundation and scrutinising the competency of its president in January 2014. According to the Ministry of Human Capacities ‘the time has finally come that the Hungarian Children Cancer Foundation starts promoting the treatment of sick children indeed, instead of setting certain captivating, yet rather obscure objectives. (MTI, 2013) The youth organisation Fidelitas of the political party Fidesz made an even harsher statement regarding the situation; ‘it could not get worse than this, as some deplorable individuals have schemed to deceive the unsuspecting tax payers in the name of a good cause’. They also requested the government to abolish the ‘foundation mafia’. The Jobbik complemented this as follows; ‘[...]the majority of the donations was not invested in the treatment of children, but instead, it was spent on establishing luxurious living conditions for the management of the foundation. Swindling on behalf of sick children is the most disgusting and vile act that must be investigated promptly’. (Rab, 2014)

Essentially, the present case study aims to analyse the crisis reactions made by the Children Cancer Foundation regarding the above-mentioned accusations with special attention to the contents and circumstances of the press conference initiated by the president himself. Before delving into the case concerning the mistakes made by the management and the consequences of the loss of reputation resulting from the inappropriately chosen PR-strategy and communication frame, it is worth stressing the fact that the charges against the institution are of two strikingly distinct categories. One of these regards the call for scrutinising the Children Cancer Foundation with respect to its suspicious finances and unclear operation, whereas the other is in connection with the potential act of fraud and the competency of its president. In order to conduct successful crisis communication, it is inevitable that the aforementioned two categories are dealt with distinctively, because the so-called brand you requires totally different positioning strategies from that of an institutionalised brand. (Liar and Cheney, 2005) As the two allegations relate to distinct groups of interest and target audiences, it is recommended to apply such a communication frame in which the bipolar, segmented neutralising messages and management techniques may be handled as well. In case the chief of a certain brand, that is, the face of the brand, responds to the accusations received personally by relating them to the brand itself as part of a homogeneous communication strategy, then the various allegations may amplify each other.
4 Managerial mistakes deeping the crisis situation

If the communicative precedents are also taken into consideration, it may be claimed that the accusations by the press and the unfavourable opinion held by the public due to the wrongful use of the ambulance car of the institution mainly belong to the category of cognitive conflict. (Nyárádi and Szeles, 1999) The most characteristic feature of this type of conflict is that an individual holds a widely divergent opinion from that of the other party and is unwilling to take the differing belief into account regarding a certain topic, or holds a completely opposing view of the situation. In the present case study it is István Balogh who regards the actual interdependencies and public opinions in a largely different way than the majority of people – he takes no account of the fact when defending his standpoint regarding how the Hungarian press works and what its roles and responsibilities are. Furthermore, he ignores the fact that media workers in Hungary and through them a substantial share of the society do not hold his points of view. In order to support my hypothesis, I am to investigate the crucial institutional processes that the Children Cancer Foundation should have been aware of when creating the PR-strategy to tackle the crisis situation and opting for the communication frame to include all the participants involved.

The period of the hard crisis (Nyárádi and Szeles, 1999) following the publication of Index in December 2013 widened the so-called scissors of trust (Nyárádi and Szeles, 1999) between the non-profit foundation and journalists who may be considered as the primary target audience. Moreover, the time of hard crisis also endangered the operation of the institution that is based on voluntary contributions. The first mistake committed by the foundation was that it responded to the article belatedly, that is, almost 40 days after it was published. Regardless of how well-founded accusations are, the lack of quick and coordinated reaction to issues is always troublesome. The time that elapsed between the publishing of the news video and the date of the press conference did not only mean that the foundation was deprived of the possibility to handle the crisis situation proactively by its own negligence, but it also enabled the emergence of further disapproving media products and speculations by the public.

The aforementioned could have been prevented by setting up a crisis management committee promptly. Nevertheless, the lack of a standard item of organisational documentation containing the script on crisis communication for experts to handle the crisis situation immediately, the so-called ‘Red Book’, further decreased the odds of handling the crisis situation successfully. (Anthonissen, 2009) Adding that István Balogh had already been on bad terms with the press preceding the crisis and the operation of the foundation may not be regarded as transparent at all, it may easily be understood that the unpreparedness of an organisation may cause negative change in the attitudes of certain interest groups.

One of the most important principles of Public Relations, and therefore of crisis communication as well, is the fact that personal communication conveys a considerably positive image about the person both in terms of building reputation and appearing to be trustworthy. Nevertheless, the president of the Hungarian Children Cancer Foundation had not made any statements before organising the press conference under discussion except for two occasions, but he clearly refrained from talking about the accusations in details at both events. Having reviewed the above-mentioned managerial mistakes, we may draw the conclusion that prior to giving interviews or requesting press correction it is essential that one is aware of the communicative and human resources capacity inherent in an organisation. Moreover, the importance of the media should not be neglected either with regard to its role in conveying news, shaping the opinions of the public, and manipulation. (Nyárádi and Szeles, 1999)

5 Opting for the right strategy and the underlying principles of Public Relations in crisis situations

Having summarised the internal processes of the Hungarian Children Cancer Foundation relevant to this case study, it is worth-highlighting those principles related to external communication that are crucial in opting for the appropriate communication frame. Most experts agree that the most effective way of handling crisis situations is when the leader of a certain organisation comes forward and makes statements personally in response to accusations, even though there is much media attention, rather than delaying reaction in order to wait until further details are revealed or pieces of background information are leaked in connection with the incident. (Anthonissen, 2009) Since any crisis is newsworthy for the media to a great extent, it is essential that the strategy to tackle the situation is chosen wisely, observing some fundamental rules.

As for statements made by the management and the ones concerning the causes of the crisis and the responsibility of the organisation, it is vital that the individuals making the statements are thoroughly aware of the relating facts, remain calm, collaborate with a proper internal communication team, and safeguard the reputation of the organisation. These aspects of strategic planning may at times be complemented with factors relating to legal issues, concerns of protection of interests, and matters of trust.

There is great rivalry between the various channels and types of media within a saturated market, which not only makes them lean towards sensationalism, but it also creates a fast-response surveillance network among them. Consequently, stories told by adversaries, self-appointed experts, and ordinary people may be featured even in the mainstream some hours after scandals erupt. Therefore, István Balogh should not have blamed others and got carried away, let alone misleading the public or lying. Due to the media attention received by the Children Cancer Foundation there was a high risk of losing face.
6 Aspects of choosing the appropriate communication frame

As I mentioned in the introduction framing is essential to my analysis as it enables me to account for the act of thematisation, the concept of image, the characteristics of the crisis situation and the rhetoric of their interpretation as a whole. Frames are abstract notions that serve to structure social meanings and influence the perception of the audience. It is the process by which a communication source defines and constructs an issue or controversy. With the help of these cognitive shortcuts people can make sense of complex information can interpret an event and represent it to others. They help us organise complex phenomena into coherent, understandable categories and provide meaning through selective simplification, by filtering people’s perceptions and providing them with a field of vision for a problem. (Fairhurst and Sarr, 1996) This quality of communication leads the stakeholders of the crisis to accept one meaning over another so it is a useful tool for analysis.

In the process of choosing the right crisis communication frame, it is essential that the communicative precedents, the managerial mistakes, and the most important features of media handling are taken into consideration collectively. (Goffman, 1974) Notwithstanding, before investigating how István Balogh interpreted the situation of being brought to account for using the ambulance car and breaching the Highway Code of Hungary, let us define framing in more details. Fundamentally, it is the frame of news reporting and information conveying that determines how responsible the target audience feels about the issue and what attitudes it has towards the affair. (Tewksbury and Scheufele, 2009) Alternatively, frame may as well be characterised as a factor influencing the associations of the receiver relating to a certain issue by means of psychology, that is, the manner of communication, and of sociology, the circumstances of news reporting. To sum up, framing may be best described as a shift in the reputation of an individual or brand. (Tewksbury and Scheufele, 2009)

It is the above-mentioned persuasion technique that enables us to present a crisis situation to the media, and through it to the society, in a favourable context. The method consists of choosing words, pictures, messages, and events to create a certain neutral environment of communication, which serves the aim of shedding light on the elements of the crisis implicitly. The communication frame facilitates bringing the aspect of the crisis to the forefront aspired by the communicator of the organisation being accused, and thus it makes critical voices overshadowed. Moreover, the crisis situation is considered to be an event that may be tackled by a narrative scheme or script through framing, which promotes the delivery of the message by the organisation and a positive shift in the attitude of the target audience. In the process of perfoming crisis communication through framing it is vital that the target audience, the source from where the message originates, and the context in which the message is articulated are all regarded as equally important. Accordingly, István Balogh should have had a mutual frame of interpretation capable of involving all parties and having the capacity of distributing the various messages segmented into separate target audiences, dividing the accusations mentioned previously into certain categories, and setting up such circumstances that facilitate a better understanding of the situation.

7 Situation-handling: the press conference

As it was mentioned earlier, the crisis was triggered by the publication of Index of 17 December 2013. Subsequently, it was expanding for almost one and half month, shaping public opinion uncontrollably. Eventually, the Children Cancer Foundation took its first steps officially on 28 January 2014 in order to clarify the situation arising from the use of the ambulance car for private purposes. The institution organised a press conference where the families of several children afflicted by cancer were present, but instead of neutralising the accusations it further deepened the crisis and affected the reputation of the foundation and its president adversely. (noltv.hu, 2014)

Although the institution had more than 40 days to prepare for this event, its concept lacked any planning whatsoever. This may be best illustrated by the fact that the speakers included the auditor, lawyer, president, and numerous employees of the foundation together with some members of the families supported by it, but there were not any qualified internal Public Relations experts or spokesperson present. Having opened the conference, István Balogh immediately handed over the floor to Anna Keszler, the mother of one of the sick children, who acted as the moderator of the conference. Among other topics, she also spoke about what it takes to be a parent of a child with such a condition, and how grateful they are for the foundation. Similarly to her, there were members of other families living in the same circumstances who appeared to be somewhat ‘undercover’ participants of the press conference, as the contents of their speeches were completely irrelevant to the accusations under discussion, giving the impression that their aim was clearly to make people show compassion towards them.

The dysfunctionality of the crisis communication was further aggravated by the fact that István Balogh chose the head-quarters of the Association of Hungarian Journalists as the venue for the event instead of their own centre of operations. He conducted the press conference according to the adage ‘the best defence is a good offence’, which may be best exemplified by the motto of the event projected behind the speakers; ‘It is not only cancer that we must fight against!’. (noltv.hu, 2014)

To the suprise of everyone, instead of focusing on the operation of the foundation, the loss of reputation among target audiences, and clarifying the accusations received, the president concentrated the long-awaited conference on the news distortion made by the Hungarian press in general. István Balogh highlighted in his speech that it is only the Hungarian media
workers who are to blame for the smear campaign aimed to terminate the operations of the foundation, discredit him as president, and ruin the whole NGO sector within Hungary. Therefore, he argued, it was 'the sanctuary of the Hungarian journalism’ that would be chosen as the best venue to resolve the conflict. (Rab, 2014) Let us imagine briefly, what message this decision regarding the place of the conference may have conveyed towards those who should rather be conciliated. Moreover, members of the Hungarian press were lectured on their professional responsibilities and competencies by such a visitor in their 'home' whose explanations have been anticipated for several weeks.

What may best illustrate the extent of the president’s misconception about his role at the press conference is the fact that a leaflet entitled 'Accusations, libels, and the truth’ was distributed to the representatives of the media, which also contained information about the consequences of the video made by Index. The brochure was not similar to conventional press releases at all, which usually facilitate the understanding of the situation or clarify charges. In fact, it was a folder containing 60 questions asked by the foundation instead of journalists, which were promptly answered in writing and supported by official documents, statements, and decisions. (Rab, 2014) Nevertheless, the reliability of the considerably informative folder may be demonstrated by the fact that even the president’s book entitled ‘Children Cancer’ was included in it, and besides, numerous answers given by the representatives of the foundation were easily refuted by journalists on the spot.

To further illustrate the situation, the negotiating position at the time of the start of the crisis involved the following two parties; on the one hand, there was the non-profit organisation brought to account on grounds of alleged or justified accusations by the society for proving its operation was according to the law, and on the other hand, there were the journalists who may be considered as the guards of democracy, demanding answers regarding an issue that a significant number of heterogeneous neutralising messages simultaneously, but also due to the fact that one’s temperamental behaviour may influence the reputation of the Children Cancer Foundation adversely.

To accompany the original problem of cognitive conflict. The former denotes the dilemma about the scope and responsibilities of the parties, whereas the latter concerns the misunderstandings surrounding the interpretation and purposes of the occasion. Understandably, it led to a negative shift of attitude among what was meant to be the target audience, that is, the representatives of the media. Nevertheless, it was not the assault on media workers and the attempt to shift the focus of the press conference from the accusations to the responsibility of the press which may be considered the biggest mistake committed by István Balogh.

The president applied such a communication frame in which he regarded his personal loss of face and the charges received as if they had been targeted at the institution, and likewise, he handled the concerns about the dubious details with respect to the finances of the organisation and its damaged reputation as if they had been meant to discredit him. Consequently, these factors fuelled the deepening of the crisis cumulatively. Failing to handle the two types of accusations separately may not only be risky because there is no possibility of delivering heterogeneous neutralising messages simultaneously, but also due to the fact that one’s temperamental behaviour may influence public opinion concerning the complete brand and thus affect the reputation of the Children Cancer Foundation adversely.

Throughout the press conference, István Balogh wrongly presumed that the media attacks were intended to discredit him and do harm to the foundation, instead of being focussed on the provision of proper medical treatments and ensuring the lawful management of the institution. (noltv.hu, 2014) His frame was based on the distorted understanding of the situation, which further aggravated the crisis by broadening the scope of the original charges and providing more opportunities for attacks. There were numerous topics that the president volunteered to touch upon in his speech besides the unjustified use of their ambulance car. Those included the general status of the non-governmental sector in Hungary, the professional performance of the foundation in the last 16 years, and the presumption that the news site Index had been commissioned by a secretive client involved in politics. (Rab, 2014) To sum up, the crisis communication frame chosen by the president
desperately lacked focus, influenced the situation counterproductively, and it was dysfunctional – the communication frame did not promote the PR-related interests of the foundation, but instead, it amplified the assaults aimed at both the president and the institution through misidentifying the target audience and mishandling the message of the press conference.

8 Content elements deepening the crisis situation

As it may be revealed from what has been said so far, the press conference central to this case study was thoroughly characterised by the fact that István Balogh failed to take note of the proper charges. Instead of seeking compromise on the opposing views about the situation, he mentioned abstract values and attempted to influence the crisis situation by talking about the finances of the organisation, featuring sick people, and citing twisted facts. Needless to say, even an inadequately chosen communication frame may be loaded with content capable of supporting the cause, but the crisis management team of the Children Cancer Foundation did not succeed in achieving it.

One of the most important reasons for the failure is that the president concentrated on extremities and had a misconception of his level of authority. He continually indulged in personalities, shouted, and regarded journalists disdainfully. (noltv.hu)

In doing so, he disregarded the fact that it was the journalists’ interpretation of the situation that would have real potential to shape public opinion and influence the reputation of the organisation. István Balogh not only denounced the media workers present at the conference, but also called them liars and incompetent on several occasions. There are some quotes by the president taken from the press conference in which he lost his temper multiple times and resorted to theatrical exaggeration in the following; 'It [the news report] is a disaster what the employees of Index have made!'; 'Be more prepared next time! You have still got time as this is a different topic!'; 'The fact that you are not a maths genius is obvious, and you need not be one!'. Furthermore, the revealing video report made by Index was commented on by the president as follows; 'To my utter discomfort, is it really such a big sin I committed by sitting in that car, which was supposed to go from my garage to the headquarters of the police? Am I guilty in fact because I sat in a car that had to leave for the car service or tyre service from my flat? In case I am, then I beg your pardon and put on sackcloth and ashes and tear my clothes. What I think the real sin is that some people have attempted to do away with an organisation which has contributed the most to Hungary. Do not believe those people who I fail to recognise as journalists!' (noltv.hu, 2014)

Understandably enough, the above-mentioned rhetorics has had serious repercussions for the foundation in terms of the articles and news reports dealing with the event, as no exasperated individual may benefit from being featured on TV. Therefore, it may be seen that one of the principles of crisis communication, which holds that even if we are rightfully afraid of losing face it is strictly forbidden to behave agressively or start panicking, was completely breached. (Kim and Cameron, 2011)

The consequences of offensive rhetorics were further amplified by the obvious discrepancies between the issuerelated facts and what the president considered to be true. István Balogh wanted to clear himself of the original charges only by referring to some thumbnails taken from the video report by Index, however, while trying to do so he made several controversial statements that did not tally with the contents of the previously distributed leaflet entitled 'Accusations, libels, and the truth'. The budget of the foundation was presented falsely, the written claims regarding the president’s payment and scope of activities were rather confusing at some parts, and moreover, the details of the ongoing police investigation were also flawed. (hvg.hu, 2014)

If the highly biased and over-excited rhetorics are taken into consideration with the irrelevant elements of the communication frame applied and the president’s fallacious argumentation, the question then arises – what may be the reason for issuing such a leaflet containing easily refutable lies in the middle of high media attention and knowing that the organisation was experiencing a severe crisis situation. Furthermore, once the leaflet containing the distorted facts had been compiled and distributed, why did not the representatives of the organisation know the contents of it inside out so as to minimise the chances of attacks by the media workers present. The inadequately selected communication frame, the aforementioned professional mistakes, and the state of being unprepared further damaged the reputation of the president, and indirectly, that of the foundation.

9 The legal and social consequences of the press conference

The articles that were published about István Balogh and the Hungarian Children Cancer Foundation following the press conference truly illustrate what the consequences may be of a counterproductive crisis communication, and how disastrous such a kind of communication frame may be in which two clearly separate types of accusations are handled as one. The various kinds of media in Hungary published their articles about the event by the following unfavourable headlines on 28 January 2014; 'The President of the Children Cancer Foundation set about the journalist of Index' (hvg.hu, 2014); 'The President of the Children Cancer Foundation lost his temper' (noltv.hu 2014); 'The President of the Children Cancer Foundation is now safeguarding the freedom of the press’ (Hasszán, 2014a), whereas yet another news site (Hír24.hu, 2014) wrote about 'breakdown'. (Hasszán, 2014a) The contents of the articles dealing with the press conference have not only undermined the reputation of the president, but also brought about a negative shift of attitude towards the organisation within the society.

Subsequently to media attacks, an investigation was launched against the foundation led by Isván Balogh on the
suspicion of fraud on grounds of legal charges pressed by an MP of the party Jobbik called György Szilágyi. (Szilágyi, 2014)

The Office of the Prosecutor General made an official proposal to the Advisory Board of the Children Cancer Foundation in April, requesting that the use of assets belonging to the organisation should always be decided on by resolutions of the Advisory Board. The Office of the Prosecutor General held the view that the procedural regulations on the use of assets were breached through the practice of the foundation in which the Advisory Board could only give its consent subsequently to signing any decisions by the president. ‘Besides the prosecutor’s notice, the Office of the Prosecutor General also admonished the foundation for some minor violations of the law. The investigation found that the most common mistake committed by the institution was failing to meet the deadlines regarding the regulations on reporting. Furthermore, the foundation was also cautioned that its activities should be restricted to the ones that directly serve the achievement of its goals. Among other issues, the institution was requested not to use its ambulance car for private purposes’. (Index, 2014c)

István Balogh was interrogated by the Directorate on Corruption and Economic Crime of the Budapest Police Department (BRFK) as a suspect on grounds of being charged with fraud in October 2014. (police.hu, 2014) According to the statement made by the police the president had been using the ambulance car of the foundation on a daily basis for quite a while for private purposes, thus causing significant material adverse effect on the foundation. Before the Prosecutor’s Office of the 8th District dropped the case and terminated the president’s legal status as a suspect at the end of October (Index, 2015), rumours were spread on 15 October that István Balogh would leave Hungary to get away from punishment. (Index, 2014c)

Even though the legal procedures were terminated almost within a year, the foundation got involved in several scandals and applied inadequate communication strategies, which resulted in losing over 60% of its supporters that amounted to a deficit of over HUF 150 million. (Index, 2014b) The Children Cancer Foundation used to be the institution to which the most money was donated through the 1% offerings of citizens’ personal income taxes between 2006 and 2009. They ranked second in the years 2010-2013, however, they came in only seventh in 2014 as they were donated HUF 70.3 million that compares with the previous year’s HUF 221.8 million. (nol.hu, 2014)

10 The conclusions of the crisis communication of the Hungarian Children Cancer Foundation

The present case study has attempted to reveal how much damage may be suffered by an organisation in case it fails to recognise its blunders relating to PR-communication and keeps committing them repeatedly. Furthermore, it may also aggravate the situation if an institution does not consider the media as a party to co-operative with, but regards it as an enemy, not to mention the adverse effects of applying inadequate crisis management. At first sight, it may appear to be a matter of minor importance that István Balogh used the ambulance car of the Children Cancer Foundation for private purposes, however, this situation may also serve as an emblematic example to show how such an insignificant issue may evolve into a nationwide scandal given the lack of appropriate understanding of the case. Although the press featured such opinions relating to the Hungarian Children Cancer Foundation that belong to the field of politics, the present analysis does not attempt to judge the operation of the organisation and is only intended to demonstrate how essential it is that an adequately chosen communication frame is applied in order to prevent such crisis situations.

I have endeavoured to prove that an efficient frame has the following characteristics; it minimises the extent of allegations, acutely defines the crisis situation, reduces the chances of receiving further attacks, and establishes such circumstances that facilitate understanding the situation. Moreover, an effective frame not only involves all the relevant participants of the issue, but it also manages to handle segmented messages to various target audiences. Additionally, adequate framing takes into consideration the communicative precedents of the case, the peculiarities of the management of the organisation, and the principles of Public Relations. Last but not least, the communication frame is meant to shift the focus of the issue from its negative contents to its positive ones, overshadowing critical voices and aiming to thematise the affair so as to minimise the loss of reputation.

The second hypothesis of this case study suggests that the act of publicly blurring the distinction between the accusations targeted at a brand and the charges concerning its employees may have detrimental effects on the attitude of the public regarding both the reputation of the face of a brand and its overall image. As a result of trying to prove the aforementioned assumption was true and through analysing the press conference of the Children Cancer Foundation I have managed to reveal numerous subsidiary conclusions. First of all, delaying reaction or making unprepared statements are not to the interest of the organisation involved in the crisis situation at all. It is not worth-acting by the tenet ‘the best defence is a good offence’, neither is it beneficial to wage a ‘personal war’ that lacks any strategic planning. As for keeping contact with the media, one should always avoid indulging in personalities, losing temper, reacting unrespectfully or offensively, and moreover, no one should ever overestimate one’s sphere of authority and blame others for their mistakes openly. Likewise, while being exposed to concentrated media attention one should never make ‘off the record’ statements or conceal facts, and most importantly, no one should ever lie.

Consequently, it is highly recommended to set up a crisis management committee and commission a professional spokesperson in order to ease the crisis situation. Similarly, one should
admit the mistakes committed and provide information on the proposed manner of compensation. Needless to say, even if the Hungarian Children Cancer Foundation had observed all the principles proposed in the present case study, it would not have ensured getting away with the crisis. It results from the fact that throughout the simultaneous legal and investigative procedures such pieces of information may also be revealed that even the most thoroughly trained crisis management experts are incapable of covering up. As each crisis situation may as well be perceived as an opportunity, it is not worth-fighting tooth and nail to remain in power. Eventually, it may have remarkably beneficial effects on an organisation if its chief resigns after having his reputation blemished, which is also confirmed by the mission statement of the Public Relations Society of America: ‘it is better to have a public funeral today than hiding the skeleton in the cupboard – not disregarding the fact that its smell does not spread so long’. (Nyárádi and Széles, 1999)

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References


